

# EMPLOYER BULLETIN

## 2005-2006 Contribution Rate Increases

April 2005

### Contribution rate increases effective with 2005-2006 earnings

Beginning with the 2005-06 school year, the following contribution rate increases are effective for creditable earnings:

- the member THIS Fund contribution will increase from 0.75 to 0.80 percent,
- the employer THIS Fund contribution will increase from 0.50 to 0.60 percent, and
- the employer TRS contribution on salaries paid from federal funds will increase from 10.5 to 14.00 percent.

The new rates apply to salaries earned beginning July 1, 2005. You should use the new rates for administrators and summer school teachers whose July checks are payment for work performed in July. Do not use the new rates for teachers whose summer checks are payment for work completed during the 2004-05 school term. Use the new rate for teachers when you issue the first paycheck for the 2005-06 contract.

### Contribution rates

THIS contribution rate increases apply to all TRS-covered employers that are not state agencies. State agencies do not participate in TRIP and do not contribute to the THIS Fund.

THIS contribution rate increases were detailed in Public Act 93-0679, which passed the General Assembly in June 2004.

Beginning with the 2007-08 school year, THIS contributions will be determined by the Department of Central Management Services (CMS). We will notify you each year of the new contribution rate.

The federal funds contribution rate increase applies to all TRS-covered employers. The rate change is authorized by Section 16-158(b-3) of the Illinois Pension Code that requires employers to pay TRS the full accruing retirement costs as determined by TRS from all special fund or federally funded salaries.

The contribution rate will be calculated on an annual basis and will increase over the next several years in accordance with the rate required to fund TRS. We will notify you each year of the new contribution rate.

### Questions

If you have questions, please contact Employer Services or the Accounting Department at (888) 877-0890 or by e-mail at [employers@trs.illinois.gov](mailto:employers@trs.illinois.gov).

Contribution Type	2004-05	2005-06
<b>TRS Contributions</b>		
Member TRS retirement contribution	9.00%	9.00%
Employer TRS retirement contribution	0.58%	0.58%
Employer TRS contribution on federally funded salary	10.50%	14.00%
<b>THIS Fund Contributions</b>		
Member THIS (insurance) contribution	0.75%	0.80%
Employer THIS (insurance) contribution	0.50%	0.60%

**Teachers' Retirement System  
of the State of Illinois**

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